

Experts discuss future needs on loss and damage associated with climate change impacts

By Hilary Chiew

Experts met to assess actions and mechanisms needed to deal with permanent loss and damage resulting from climate change, with a focus on the role of the United Nations Framework Convention on Climate Change (UNFCCC).

This took place at an expert meeting of UNFCCC work programme on loss and damage held from 12 to 14 September 2013 in Nadi, Fiji.

The meeting was a mandate of Decision 3/CP.18 (from the 18th Conference of Parties at Doha last year) which requested the UNFCCC secretariat to organise under the work programme on loss and damage, an expert meeting to consider future needs, including capacity needs associated with possible approaches to address slow onset events (SOEs). (Please see related TWN Briefing Paper #2 for a report of “*Key issues on loss and damage from Warsaw preparations*”).

Below are highlights of the technical discussion.

A. Current approaches to addressing different types of SOEs and their impacts

Several experts from development and humanitarian agencies presented views based on their existing experiences. This session was facilitated by Dawn Pierre-Nathaniel of St Lucia.

World Bank senior environmental specialist Habiba Gitay said there are opportunities for including SOEs in climate resilient development planning. She said there are many non-climate related stresses which interact with each other as well as climate change.

She noted the challenges in detecting and accepting SOEs. From the perspective of climate, efforts are limited by observation, with changes that are not easy to observe such as how salinity affect marine fisheries, and secondary and large scale consequences that are not always predictable. In terms of L&D, she said the challenges lies in the availability and development of socio-economic baselines and asset maps.

She suggested integrating climate risks into development planning. In the initial phase, engagement across multiple development sectors and stakeholders is crucial in understanding the slow, often medium to long-term risks; allow time to gather data, develop tools and decision-support system; prioritisation to focus on the poorest and most vulnerable; setting up of long-term institutions to coordinate and facilitate efforts, house data and information.

Gitay said the next phase is the design of interventions and investments including assessing multiple risks over a long-term horizon beyond normal political life cycle, investments in early warning systems and social trade-offs (between retreat, protection and accommodation options).

Overall, she said there must be support for changes in policies, financial instruments (that big money has to come externally) and institutional arrangement.

Under the World Bank's Climate Investment Fund, she said US\$1.2 billion was allocated to the Pilot Programme for Climate Resilience to help 18 countries to mainstream climate resilience into their core development planning and implementation.

Richard Choularton of the United Nations World Food Programme (WFP) said climate risk is a significant challenge for food security and it is projected that by 2050, 10 to 20% more people could be at risk of hunger due to climate risks. Currently, 870mil people are undernourished and 600mil food insecure people live in highly degraded arid and semi-arid areas.

He said major drought has both immediate and long term impacts on household livelihood. For example, in Niger, the impacts of the 2009 drought were felt for three years. With increased climate risk, the pattern becomes even more difficult to manage, he added.

He said that the WFP Rural Resilience Initiative introduced an irrigation system to limit the impacts of drought and an insurance scheme that help farmers access credit for better seed and fertiliser so the next drought will not impact them that much.

Risk reduction, insurance and savings provide a resilient net of risk management tools to protect the food security that the household is building.

He said the lessons learned from practice are:

- The most food insecure people do not have the capacity to manage climate risk today
- Social protection systems and safety nets are effective mechanisms to reach the most vulnerable
- Improved emergency preparedness and response, including Early Warning System, must be linked to effective early response mechanism
- Integrated climate risk management systems are more complex to develop and need sustained support
- Climate risk assessments must link to livelihoods and participatory planning.

Ravind Kumar of Fiji, manager of the climate division of the meteorological office told participants that Fiji's air temperature increase is consistent with the global pattern of warming where the mean air temperature has warmed by 0.52°C over the last half century and an annual increase of 3.39mm in rainfall is observed between the 1961 and 2012 period.

He said to address SOEs, Fiji is required to prepare effectively, increase its capacity and transfer and share the risks; the latter would include among others sustainable finance mechanism across sectors and insurance coverage at micro, macro and regional level.

The future needs would include establishment of scientific basis for L&D in terms of climate change induced impacts; case studies and trial application of tools and methods; tangible and non-tangible valuation of L&D, using multi-disciplinary approaches; and enabling financing mechanism to address L&D.

Following the session, **Swaziland** asked the WFP how, in the situation of permanent loss and inability to recover, does one estimate the impacts and what to do with it.

The United States asked the WFP about its institutional capacity to address SOEs in the future.

Kenya asked how insurance schemes measure the risks as a number of climate risks are not measurable.

In response to Swaziland, Choularton said permanent loss is generally a longer term process and the visible part of SOEs is seen through the extremes events. For example, the 2011 drought in Africa, which is the most severe in 60 years of climate records, came on the heel of 10 years' record of below 300mm rainfall.

To the US, Choularton replied that with protracted crisis, the WFP does not have the capacity and addressing the challenge would require a change in the architecture of the funding of humanitarian

agencies.

In answering Kenya, he said insurance is not a panacea as it does not solve every problem and its effectiveness would rely on it being a part of the larger climate risk financing.

Tuvalu said the problem of addressing risks lies in the plethora of institutions with various mandates to deal with impacts of human-induced climate change and that each institution is going to say there is insufficient data, adding that the crucial issue is not to use data deficit as excuse for inaction. He said there are a lot of assessments done and the insurance industry had developed the tools and he is perturbed by statements that more data is required.

Bolivia said it is extremely important to move discussion to the technical aspects as a lot of discussions are still going around about how to do it better. He reiterated that the SOE dimension must be kept in mind as it is well anchored in the precautionary principle and to start doing despite the uncertainties. The lack of data should not stop us from moving forward, pointing out that for food production in Bolivia, it is not the drought but desertification which is a permanent stage that will not allow for food production that needs to be dealt with. He felt that the social net system presented by the WFP needs detailed technical discussions.

Timor Leste noted that as a least developed country (LDC), it has no capacity to pay for insurance and that sea level rise is beyond adaptation as it is a permanent loss and wondered if insurance can help in terms of migration.

Echoing Timor Leste, **Nauru** asked if it is the responsibility of national governments to map the (vulnerable) assets and carry out sustainable development in light of the greenhouse gas emission trajectory, asking further how the responsibilities should be attributed.

To this, **Fiji's Ravind Kumar** responded that the principle of common but differentiated responsibilities should apply and it is for this meeting to come out with ways on how to facilitate the attribution of responsibilities.

B. Understanding future needs: Institutions outside of the Convention process

This session was further guided by three questions: How can the UNFCCC create enabling environments for organisations outside of the UNFCCC to further enhance and align their actions? What are the necessary policy signals? How can synergy be increased among different initiatives?

Angela Churie Kallhauge of Sweden facilitated the discussion.

The panel comprised of Brian Kelly of the International Organisation of Migration (IOM); Ewan Cameron of the Secretariat of the Pacific Regional Environment Programme (SPREP); Kevin Petrini of the United Nations Development Programme (UNDP); Michael Coughlan of the World Meteorological Organisation (WMO); and Youba Sokona of the South Centre.

Petrini of UNDP said informed policy setting and actions through strengthened information and data is crucial. It can do so by promoting standardisation of methodologies or guidance for countries on how to collect, generate, analyse and track climate-related L&D; calling for the establishment of monitoring or tracking systems to routinely collect climate-related L&D data for analysis; initiating the assessment of needs for addressing gaps in current methodologies and systems; and continuing to advocate and promote international support for efforts at all levels to collect, track and maintain the information and corresponding capacity development support to ensure effective institutionalisation and financing of these efforts.

He also said there is the need for enhanced institutional alignment and joint action across disciplines and scales. This will entail establishing a multi-disciplinary group with representatives from across different issue areas, to share information and best practices from their field; advocating for better aligned funding streams to ensure joint action is supported at the national/sub-national level; understanding the linkages between existing frameworks; keeping track of existing institutional arrangements related to L&D, drawing

on the initial mapping done by UNFCCC, in a dynamic and interactive way.

Ewan Cameron of SPREP said the Programme represents 26 countries and helps them to access funds and technical support but due to the geographical nature of the region, there are limitations. The countries have highly vulnerable ecosystems and have limitation to address SOEs. Therefore, he believes that it remains essential that the Convention establish an international mechanism to address SOEs. He said it could be useful if we create a permanent space under the UNFCCC to increase synergies, connecting different organisations to avoid duplication, opportunities for expert meetings and South-South exchange to facilitate experience-sharing.

Michael Coughlan (WMO) said that as climate is a complex concept that involves interactions between the physical domains of the earth system, the UNFCCC must support the continuation and, as necessary, the expansion of the multi-disciplinary work required to understand these interactions, which will provide the sound scientific basis needed for the development and implementation of appropriate economic, social and environmental policy responses at the national, regional and global levels.

He said to make climate information available and useable, knowledge of user requirements and understanding of how users apply climate information are fundamental to the successful generation and delivery of climate services. He also said all elements supplying climate information should be familiar with and have the capacity, directly or indirectly, to tap into and use the vast quantities of data archived and information generated by regional, global and specialised climate centres.

Regional cooperation, he added, makes sense as it helps to ensure that countries with common concerns have adequate underpinning information on which to build national capacities. Sharing of data from longer-term records of daily data will be critical for improving understanding of high impact events and countries that do not yet have well-developed climate services need to identify the organisations that with the appropriate resources, will be able to deliver.

Brian Kelly of IOM said the organisation's three core objectives are preventing, assisting and promoting migration as an adaptation strategy where appropriate. He wondered if the humanitarian approach is appropriate to address the need for migration as a result of L&D associated with climate change impacts.

Youba Sokona of South Centre said there is the need for the Convention's response and to move from work plan to action plan. From that, he said, it is important to look at different institutions to take the lead of the three main critical aspects which are policy, knowledge and response strategies. He said there is a general sense that the UNFCCC does provide the space to discuss priority issues and in so doing, it could strengthen the knowledge and data by bringing together a taskforce, and provide the infrastructure and mechanism like an international mechanism to address L&D.

In the ensuing plenary discussion, **Swaziland** said we need to start to think beyond risk management, prevent and assessment. He said disaster risk reduction management are dealing with disasters that we can recover from but do we deal with situation that we cannot recover from.

Bolivia said the UNFCCC has to play a catalytic role in the coordination to link activities at different level and different expertise. In its relationship with outside organisations, it needs to strengthen dialogues, coordinate finance and technical collaboration. On the issue of conflicting mandate and role, he asked who should take the first step.

To this, WMO replied that conflicting mandates can create tension but that having some overlap in work is not necessarily negative.

On conflicting mandates, **Sudan** said the envisioned institutional arrangement can be a mandate and it seemed like we need to pool our resources and find means and ways to coordinate. She viewed migration as mal-adaptation because they cannot cope with adaptation.

Norway said there is no lack of arena for the UNFCCC to create an enabling environment but the question is whether we are inviting the right people.

Tuvalu commented that there is a need to recognise that the organisations on the panel had the right mandate and we have to be careful in aligning to their mandates. He suggested establishing a clearing house to identify possible insurance arrangements for Parties to take on board. Regional organisations like SPREP can provide information on what a regional arrangement can fit into the process. He cautioned against creating the synergy but not additional burden of reporting to avoid endlessly writing reports and not doing enough on the ground.

Australia said given the slow pace of the UNFCCC, he asked how to increase the synergy or whether to let them do what they do and just fill in the gap.

Jamaica said if the UNFCCC can establish a clearing house mechanism for each SOE then the picture will become clearer which SOE is lacking in data, adding that this is where the UNFCCC can create the enabling environment by building on existing data and work towards data on permanent impacts which is somewhat uncertain now.

On data, **UNDP's Petrini** highlighted the challenge of alignment. He said Samoa went through a comprehensive coastal development plan but neither the World Bank's Pilot Programme for Climate Resilience nor the National Adaptation Plan for Samoa can use the plan as the funds were insufficient to implement all the plans.

On Day 3, participants revisited the previous day's discussion. Facilitator **Debra Roberts (South Africa)** said the discussion was focused on cooperation and knowledge and she urged participants to spend time on issues of actions and support, unpacking the third element of paragraph 5 of Decision 3/CP.18 (of the 2012 Doha Conference of Parties).

(Paragraph 5 reads: "*Also agrees that the role of the Convention in promoting the implementation of approaches to address loss and damage associated with the adverse effects of climate change includes, inter alia, the following:*

(a) Enhancing knowledge and understanding of comprehensive risk management approaches to address loss and damage associated with the adverse effects of climate change, including slow onset impacts:

(b) Strengthening dialogue, coordination, coherence and synergies among relevant stakeholders;

(c) Enhancing action and support, including finance, technology and capacity-building, to address loss and damage associated with the adverse effects of climate change; ...")

Participants were divided into four break-out groups to deliberate on the following questions:

- Possible responses under the Convention in the short, medium and long-term, including activities that could be undertaken by the work programme on loss and damage, and taking into account the role of the Convention agreed by the COP in Doha; and
- Possible responses by other processes, entities and frameworks outside of the Convention.

The groups reported back and suggested, among others, the following:

- Need to identify sustainable sources of funding; insurance had its limitations and when it is inappropriate, other social protection instruments are needed. Need for coordination to channel finance to support the establishment and operationalisation of the mechanism;
- Support establishment of regional centres and strengthening existing ones to enhance knowledge as there is linkage between extreme weather events and SOEs. Support establishment of early warning and response systems;
- Expert meeting to clarify differences between adaptation, rapid and SOEs and approaches to address them. Establishment of group of experts to follow SOEs and L&D and for them to report to the COP to broaden knowledge and enhance actions;
- Technical support for analysis of actual approaches and responses at country; build on the existing info and have them in an easily accessible form.

UNDP reiterated that insurance is not stand-alone as it is part of a complex financing framework which includes a public finance management system that plans and budget the policy directives.

The Norwegian Refugee Council said there is need to be more specific about the impacts and to avoid vague solutions. He said the role of adaptation need clarification and felt that it is better for agencies outside to implement actions while the Convention's role is to catalyse action rather than to implement.

Citing the example of pearl farming experiencing massive bleaching in the lagoons of Cook Islands, the **Secretariat of the Pacific Community** said often we know the nature of the problem but the issue is how to deal with SOE where traditional adaptation does not help and a significant part of GDP will be lost.

The **IOM** suggested exploring the growth in the remittance from overseas migrant labour as a source of finance.

Nauru, in response to IOM, said overseas remittance are people at the bottom of the economic scale in labour receiving countries and their remittances are for socio-economic support back in their home country; the money is not for addressing climate change. She said it is discomforting that this is akin to punishing the poor.

Swaziland said solutions should be in the context of the Convention. There exists donor funding and to a certain extent, there is over-subscribing to one region and we need a channelling platform with opportunity to access the funds for all and if donors come under the Convention, we will know who is doing what and where.

Australia was encouraged by the discussion of private funds saying that private flow is bigger, citing the US\$100 billion pledged (under the Copenhagen Accord) and the US\$300 billion of (private) investment flowing into China. He said delay in the fast start finance is linked to absorptive capacity in developing countries and for long term finance, developing countries must have the right policy setting to attract the fund including fund for L&D and SOEs.

He said the system is not working for the countries that need money the most where many rich countries are exempted from providing finance because of the outdated Annexes (referring to Annex 1 and non-Annex 1 Parties), adding that there are five non-Annex 1 Parties which are richer than Australia and 13 countries richer than Portugal and 60 countries richer than Ukraine (the poorest in Annex 1).

He also said the definition of common but differentiated responsibilities (CBDR) need to be dynamic and praised South Korea for stepping out of the binary nature of CBDR.

This prompted the **facilitator Debra Roberts (South Africa)** to interrupt saying the intervention had digressed into the political realm.

Bolivia said the technical conversation of finance may need more space and time and cautioned that we need to think how private investment flows may change. For example, no one will want to dive in a bleached coral reef or ski on a rocky slope where the glacier has melted. He said the technical paper on non-economic losses will help us to dive deeper into this issue.

Kenya echoed Swaziland that there is little study and data on Africa compared to the Caribbean and the Pacific. He said there is a gap in capacity for Africa to stand up and be counted in the community of experts to explain their issues. He said salinity in semi-arid areas also require monitoring and Kenya would push for financial support to put up monitoring stations and build scientific capacity.

Timor-Leste said there was no discussion on tools and methodologies to share and transfer the risk, and this is related to putting insurance in place. Mitigation is needed, otherwise risk will increased. This is why risk needs to be shared and this is a key issue for us.

South Korea said while it is necessary to address SOEs it was concerned that it is hard to find those information. She pointed out that the technology needs assessment for adaptation was on a sectoral

approach and not specific on monitoring ability.

The WFP's Richard Choularton said that the working groups had come up with many more concrete actions to move the discussion forward. While there are some clear ideas on SOEs, he personally found that there has not been systematic understanding of the dynamics of SOEs, how these manifest themselves, and the impacts when L&D is caused by these processes. This, he said, was why solutions are difficult as the mechanisms, tools and approaches are very different hence it is difficult to get to the practical. He said there are some specific ideas on SOEs like acidification and aridity, adding that we need a robust framework and mechanism to have actions on the ground.

He said the Convention has a role as most existing frameworks cannot keep their eye on the topic for long time. He also said it is useful to think of SOEs separately from adaptation conceptually but when developing solutions, they need to be looked at together.

The World Bank's Habiba Gitay said a coordinated platform where all the registry of climate actions are listed will help in ensuring no duplication. On risk financing instruments, she suggested an expert group requested by the Convention to provide an update on the instruments and how to adapt to SOEs.

WMO's Michael Coughlan said globally, there are only 10 centres with capacity to run global modelling. Given the big effort required, he said it makes a lot of sense to conduct modelling on a regional scale as the problems are similar. From the practical and financial point of view, he said, a coordinating role under the Convention to link the multilateral and bilateral interest might be helpful and WMO will be keen to work with these regional bodies.

He also cautioned about the term 'slow onsets' as they are happening now, and the need to separate what is SOE and what are extreme events which are happening more frequently.

South Centre's Youba Sokona said we cannot come to this group and ask for a concrete approach but instead the Convention can create a mechanism which is possible to build on all existing initiatives. He said we are not starting from scratch but we can learn from experiences and practices in different contexts. In cases where no progress has been made, there are lessons to be learnt to give us an indication of how to unite science, policy and practice. He stressed that it is important for the Convention to learn from the mechanisms it had adopted and established so far, adding that if we have to set up a mechanism, it has to be different from other mechanisms.

The World Health Organisation's Dr Kim Rokho said the Organisation has been working on impact of climate change on health for three decades. He lamented that the health sector's contribution has been under represented and he urged Parties to use health arguments in the international debate to give a human face to the climate problem.

He said there is a well-elaborated pathway between climate and diseases like diarrhoea, typhoid, dengue, air pollution-related problems and SOEs will lead to more mortality and morbidity as people tend to have less activity with increase in temperature and decrease in food production, leading further to other diseases. These existing data can be contributed quickly to the work programme on L&D under the Convention.

Swaziland reminded that L&D is highly related to the (greenhouse gases) emission level; if emission goes up, L&D increases.

Facilitator **Debra Roberts (South Africa)** remarked that mitigation is critical and it has been acknowledged but it is not the issue for this workshop.

In closing, **Juan Hoffmaister (Bolivia)** in his capacity as co-Chair said the discussions had been technical and emotional. The question on how to address SOEs remained but this is not going to stop us from taking actions to achieve the needs. He said enhancing of understanding of needs will evolve with time and encouraged experts to continue to provide insights to bring the work forward.+